

Orkney NHS Board

Minute of virtual meeting of **Finance and Performance Committee** of **Orkney NHS Board** held on **Thursday, 24 September 2020** at **9:30**

Present: Davie Campbell, Non-Executive Director (Chair)
Mark Doyle, Director of Finance
Caroline Evans, Non-Executive Director
Meghan McEwen, Board Chair

In Attendance: Christina Bichan, Chief Quality Officer
Michael Dickson, Interim Chief Executive
Eamonn Keyes, Acting Laboratory Manager (for agenda item 6.1)
Fiona MacKellar, Non-Executive Director
Gillian Morrison, Interim Chief Officer of the IJB
Keren Somerville, Head of Finance
Pat Robinson, Chief Finance Officer of the IJB
Louise Wilson, Director of Public Health
Gemma Pendlebury, Committee Support

648 Apologies

Apologies were noted from David McArthur, Director of Nursing, Midwifery, Allied Health Professionals and Acute Services.

The Chair advised that the need to appoint a delegate to attend in place of the Chief Officer had been mitigated due to Gilliam Morrison's appointment as Interim Chief Officer.

649 Declarations of Interests – agenda items

No declarations of interest were raised with regard to agenda items.

650 Minutes of Meeting held on 23 July 2020

The minute of the meeting held on 23 July 2020 was accepted as an accurate record of the meeting and was approved.

651 Matters Arising

337 – Technology Enabled Care Strategy

Members were advised that the Technology Enabled Care Strategy had been delayed due to staff sickness absence. The Chair requested that this be included on the action log and be discussed at the next meeting.

338 – Community Electronic Patient Record (EPR)

The Board Chair clarified that she was not the appropriate action owner for this item, although it was still an important item for Committee members to be sited on. Confirmation would be sought regarding an appropriate lead to take the item forward within a more appropriate forum.

506 – Workforce Report

Members were informed that due to staff sickness absence, the Workforce Report was not available for this meeting, and so the item would be included on the action log for update at the next meeting.

652 **Action Log**

The action log was reviewed and updated as required.

Performance Management

653 **Laboratories – Annual update on service – FPC2021-27**

E Keyes, Acting Laboratory Manager, addressed the Committee and presented the annual update on the Laboratories services, highlighting the following:

- The previous 12 months had been challenging due to migration to the new hospital, Brexit, COVID-19, management and SLA changes, the Balfour Laboratory was continuing to provide a reliable and resilient, quality-based service and would continue to meeting this during the present pandemic
- The Laboratory would strive to rebalance the financial position following the overspend of year 2019/20
- Discussions with the Finance Department would be taking place to review Laboratory Budget statements and to ensure they were reworked to make them more applicable to present spending models
- The Laboratory response to the COVID-19 pandemic was robust, with turnaround times for urgent specimens being among the best in Scotland
- The Laboratory element of Winter Planning would help to tackle COVID testing in a layered, yet flexible, approach with the implementation of COVID antibody testing soon adding to a better understanding of past infections in NHS Orkney
- An important development is the Laboratory having been awarded Training Status, which eventually would present a pathway for the future recruitment of staff to ease issues over recruitment and retention. There was currently one member of staff beginning the training process.

The Board Chair raised a query regarding overspend and as to whether that overspend was due to COVID pressures or if there were elements of organisational structure that had contributed. E Keyes clarified that there was not much of the overspend that was attributable to COVID-19 and that issues that had arisen during the migration to the new hospital facility and also staffing pressures were the main contributing factors. The Board Chair sought further assurance that plans were in place to recover the financial situation and E Keyes confirmed that there would be a review into areas for improvement.

F MacKellar noted that there was a member of staff awaiting redeployment from the Laboratory team, adding to the financial pressures on the budget and staffing pressures as there was a job vacancy within the team. She queried whether the situation would be resolved in the near future. E Keyes clarified that the redeployment procedure was being followed, with a view to a conclusion being reached as soon as possible.

With regards to the Laboratory being awarded training status, the Chair queried when tangible results within recruitment may be expected to be seen. E Keyes responded that there was a great deal of interest locally as there was a desire to remain within Orkney but also an appetite for career progression. It was noted that having the option of a training pathway would enable the recruitment of a local workforce.

Decision/Conclusion

Members of the Finance and Performance Committee welcomed the review paper and took assurance that work would be conducted to bring the Laboratory budget back into balance.

E Keyes withdrew from the meeting at 09:45

G Morrison joined the meeting at 09:58

654 Performance Management Report – FPC2021-28

The Chief Quality Officer presented the Performance Report which provided an update on performance with regards to the Local Delivery Plan standards. Key points highlighted were:

- Performance within the Emergency Department continued to be very positive
- Access to services was improving overall as a result of remobilisation, with clinical prioritisation continuing to be critical to ensuring this was in line with guidance and risk assessed
- Near Me service delivery uptake had been encouraging and the success of NHS Orkney's local response has attracted national interest and the opportunity to contribute towards the national "Test of Change" projects within Primary Care and Urgent Care. Those nationally supported projects have seen additional funding being provided to better equip the services as they redesign patient pathways
- The number of patients waiting for diagnosis increased during June in line with the reduction of diagnostics due to COVID-19; only diagnostics relating to Urgent Suspected Cancer referrals were actioned. However, more recently waiting times had improved as the backlog of patients have been seen as part of remobilisation
- There were some issues with capacity within Outpatients due to the increase in appointment time. This increase in appointment length was a result of social distancing measures

The Chair of the meeting queried whether there was any comparison available between NHS Orkney and other island or remote and rural health boards, with a view to sharing best practice and learning from remobilisation experiences. C Bichan responded that weekly regional remobilisation meetings were being maintained at which such discussions took place to ensure the maximisation of information sharing. The Chair further queried whether there was learning from within the organisation that could be utilised in the event of a second wave of COVID and C Bichan confirmed that NHS Orkney had gained valuable experience that could be utilised with regards to which services could be delivered remotely as well as knowing which services could be provided by partnership boards.

F MacKellar raised the issue that there were a number of services concerned that patient outcomes were going to be detrimentally affected due to the pause placed on those services in June. She noted that as much information as possible needed to be captured in order to evidence the reason for the impact on performance of teams, as well as clearly detailing the correlation between vacancy rates, capacity within services alongside the performance figures. C Bichan noted the valid point about aligning the data presentation and agreed that this would be incorporated into future reports.

The Chief Executive noted that the diagnostics department had made significant progress up until August 2020 and queried whether that progress had increased the departments expenditure. C Bichan confirmed that there had been additional staff in place during the first wave of Coronavirus and the department had maximised their use of those additional staff members to clear the backlog of patients. The department had since returned to working within their establishment. The Interim Chief Executive continued that an element of additionality was required within the performance report, by way of a 'Traffic Light' system, to clearly show the two key data sources: performance and budget. This would enable there to be oversight and ensure that decisions were well informed.

Decision/Conclusion

Members of the Committee received the reports and looked forwards to receiving future reports in the updated format as discussed.

655 Travel Project – NHS Near Me Update – FPC2021-29

The Chief Quality Officer presented the NHS NearMe update paper to members, highlighting:

- The report further expanded on discussions at the previous Finance and Performance Committee meeting
- The report detailed the setup of the NearMe programme, following the response during the COVID-19 pandemic and also remobilisation
- There had been a very good update of NearMe being embedded into various services, as well as other methods (such as telephone consultants, etc.) being utilised if they better suited individual patients
- The best areas of uptake were the Community Mental Health Team and Daisy Villa GP Surgery, both of whom had transformed the way in which care was delivered to their patients, allowing for timely access to care without the need for travel off island
- Uptake and implementation within Urgent Care was still a work in progress and there was a need to ensure that GPs and AHPs were able to access support within the Balfour to make clinical decisions
- There were significant savings opportunities in relation to travel as the number of patients requiring flights off island had decreased.

The Chair noted that it would be useful for the Committee to receive a progress report on the project every quarter.

The Chair further raised a query regarding whether other Island Boards were using NearMe, and if so, where was their feedback captured. C Bichan responded that there had been national survey work done to explore the experiences of both

patients and clinicians utilising NearMe. Those results had been resoundingly positive and would inform future developments in remote services. It would be possible to extrapolate NHS Orkney's survey data from that system for review locally. Furthermore, NHS Grampian had begun development of an algorithm which would predict services most likely to benefit from utilising NearMe.

The Director of Finance acknowledge that the project rollout had been resource intensive, and as to whether there was a timetable for completion of works. C Bichan clarified that the project was committed until November 2020, with investigations taking place to secure 'Business as Usual' support. Members agreed that though the full extent of both clinical and administrative requirements for the setting up and running of NearMe sessions was unknown, it offered an excellent opportunity to approach the continuation of the project with a Whole System View in mind.

F MacKellar noted that there was a need to guarantee that there was increased, appropriate technical support available for clinicians using NearMe as currently there was only a few individuals able to support. This would cause issues should several members of the clinical team require assistance at the same time, or should the individuals be on leave. C Bichan echoed that more resilience was needed within the wider eHealth team to ensure that they could facilitate and support the continuation of the NearMe project.

Decision/Conclusion

Members received the positive report in connection with the NearMe project and welcomed progress reports to future meetings on a quarterly basis.

Financial Management and Control

656 Financial Performance Management Report – FPC2021-30

The Director of Finance delivered the Financial Performance Management report, detailing the current financial position of NHS Orkney. Members agreed that this should be reported to the Board, highlighting the following key points:

- The revenue position for the four months to 31 July 2020 reflects an overspend of £5.772m
- This was significant movement from the month three overspend of £502k, due to the fact that previously made assumptions regarding funding for costs included in the COVID-19 LMP return having been reversed and with costs to date instead being included in the overspend figure
- Of the £5.772m overspend, £3.273m relates to COVID-19 spend to date, and £1.945m relating to unachieved savings attributed to the impact of COVID-19
- NHS Orkney's operational performance at month four is therefore £554k overspend
- Until the position on funding for COVID-19 is clarified by the Scottish Government, there is a forecasted year end position overspend of £14.032m; fully attributable to the impacts of COVID-19
- The year to date forecast figures assume no funding for COVID-19 spend

- Waiting Times Initiatives funding will be received to match costs for the year
- Prescribing costs would reduce from the current high unit cost and activity, bringing spend back into line with budgets at year end
- There was a current underspend on travel expenditure for patients to attend off-island appointments. It was assumed that activity would increase over the remainder of the year
- It was anticipated that £0.8m of the £6.6m spend reduction/savings target would be achieved
- The Board had recently embarked upon a Cost Improvement Programme, which was supported by the Board, Medical and Nursing Directors, Director of Public Health and Director of Finance.

Following the delivery of the report, the Chair queried whether there was a potential savings plan and whether the £2m overspend was largely due to medical staffing costs. The Director of Finance responded that a paper had been submitted to the Scottish Government regarding the local mobilisation costs and that he would be working alongside the Scottish Government to address the areas of overspend and any other funding shortfalls.

The Chair of the Board raised a regarding services commissioned by the IJB and as to whether it was NHS Orkney responsibility to mitigate issues with savings within those services, giving the example of the Mental Health services which were suffering both performance and budgetary issues. The Director of Finance clarified that overspend for IJB commissioned services were largely in relation to overspends within the new Balfour, however, was confident that some form of compensation could be sought from the contractor. He also assured members that the Mental Health managers were working in close collaboration with the budget managers to address the situation.

F MacKellar withdrew from the meeting at 10:46

The Chief Financial Officer of the IJB address members of the Committee and provided the update that there had been a period with no Chief Officer of the IJB in position. However, she was delighted to report that G Morrison had been in situ as the Interim Chief Officer and would be reporting to the IJB Board meeting in October on savings targets and driving them forward. The Interim Chief Officer continued that she was very conscious of the challenge ahead and was looking to facilitate larger, longer term savings by way of service redesign in instances where that would be appropriate and in the correct way.

The Director of Public Health raised a query in relation to the high level of spend within the Pharmacy department and whether the high unit and high-volume costs were in relation to stockpiling due to Coronavirus and local lockdown measures. She noted that there was a need to educate the public to ensure that there was understanding around the problems that stockpiling could cause. The Director of Finance confirmed that the budgetary issues for Pharmacy were not in relation to stockpiling and investigative work was being conducted in collaboration with Pharmacy managers to understand the outliers for increased expenditure. The Interim Chief Officer of the IJB added that there had been some discussion with the Primary Care Manager in relation to this and there was no clarity as to the reason currently. However, she confirmed that the issue absolutely needed to be addresses and she would be working with the teams involved to reduce costs.

The Chair of the Board questioned when NHS Orkney would start quantifying the impact of Brexit on prescribing costs and the Director of Finance clarified that though there was no information available at present, conversations were going ahead with the Head of Pharmacy and Head of Primary Care to progress costs in terms of Brexit. That information would be presented to members at a future Committee meeting.

The Interim Chief Executive address the Committee, noting that COVID-19 had come as a surprise, and in order to respond accordingly to the situation as it had unfolded, there had been a need to commit and spend money out-with budgets. All Health Boards were operating in the same situation and so there was a need for the Scottish Government to provide some degree of additionality. With that in mind, he confirmed that the fiscal year would be conclude with a degree of deficit.

Decisions/Conclusion

Members noted the Financial Performance Management report and were assured of progress.

657 Covid-19 – Q1 Finance Return – FPC2021-31

The Director of Finance presented the COVID-19 Quarter One Finance Return report for the Finance and Performance Committee, which detailed various areas of spend and included both NHS costs and Health and Social Care Partnership (H&SCP) costs. The return also included an approval tracker for all spend, noting that any spend higher than £100k would require approval from the Scottish Government.

Members were informed that the next update (due on 18 September 2020) to the Scottish Government would refine the projected costs included in the initial quarter one return information and would address any queries raised by the Scottish Government.

Decisions/Conclusion

The Committee welcomed the update report on COVID-19 quarter one finance returns and were assured on progress being made.

658 Property Transactions – FPC2021-32

Members of the Committee received the Property Transaction report for noting and information.

Decisions/Conclusion

Members of the Committee received and noted the Property Transaction report.

659 Patient Exemption Checking – Annual Report 2019/2020 – FPC2021-33

The Committee received the Patient Exemption Checking annual report for 2019/20 for information and noting. Members were informed that the annual report was received at the September meeting of the Finance and Performance Committee every year.

Decisions/Conclusion

The Committee received the Patient Exemption Checking annual report for 2019/20.

660 Code of Corporate Governance – Standing Financial Instructions Review – FPC2021-34

The Director of Finance advised members that the Standing Financial Instructions had been reviewed and updated for inclusion in the revised Code of Corporate Governance. It was presented for information of the Committee and was a significant document which was required to be in accordance with Scottish Public Finance. Members were informed that staff organisation-wide were required to follow the Standing Financial Instructions exactly.

The Chair of the Board thanked the Director of Finance for updating the important document and noted that there was a need to educate members of staff and budget managers about the SFIs so that they understood the legal underpinning and to empower them to make decisions in line with those legal regulations and requirements.

Decisions/Conclusion

Members of the Committee received and approved the updated Standing Financial Instructions.

Governance

661 Issues raised from Governance Committees / Cross Committee Assurance

No issues had been raised.

662 Agree key items to be brought to Board or other Governance Committees attention

Members agreed that the following items should be raised to the Board:

- The NHS Orkney month 5 financial position
- COVID-19

663 Any Other Competent Business

There was no other business raised for discussion.

Items for information and noting only

664 Schedule of Meetings

Members noted that the next meeting would be held virtually at 9:30 on Thursday, 26 November 2020.

665 **Record of attendance**

Members noted the record of attendance.

666 **Committee Evaluation**

Members agreed that the meeting had contained a large quantity of detailed and well put together papers and that they had been able to effectively scrutinise and discuss those papers fully.

The meeting closed at 11:17